



NITEC PHARMA GRANTS EXCLUSIVE EUROPEAN DISTRIBUTION LICENCE TO MUNDIPHARMA FOR LODOTRA™

Basel/Reinach, Switzerland, 31 March 2009 – Nitec Pharma AG (“Nitec” or “Nitec Pharma”), a Switzerland-based specialty pharma company focused on the development and commercialization of medicines to treat chronic inflammation and pain-related diseases, today announced that it has granted an exclusive licence to Mundipharma International Corporation Limited (‘Mundipharma’) for the distribution of Lodotra™ in Europe.

Under the terms of the agreement, Mundipharma will acquire the distribution rights to Lodotra™ in Europe, excluding Germany and Austria which are licensed to Merck KGaA, and Nitec will receive undisclosed royalty payments. Nitec retains all commercialisation rights for the rest of the world.

Lodotra™, Nitec’s novel single-pulse delayed-release (“SPDR”) low-dose prednisone tablet, was recommended for European regulatory approval for the treatment of rheumatoid arthritis (“RA”) and associated morning stiffness in January 2009. Germany lead the Decentralised Procedure and Lodotra™ is now also considered approvable by the regulatory agencies of 14 other countries (the “Euro15”). Lodotra™ is expected to be launched in Germany within the next few weeks.

Dr. Anders Härfstrand, CEO of Nitec Pharma: “Our agreement with Mundipharma is a key milestone for Nitec as we prepare for a European launch. Mundipharma has a proven track record in successfully launching and commercialising pharmaceutical products in Europe. Their strength, as a partner, is with their strong expertise with the target prescribers in these key markets. We are confident that this agreement with Mundipharma’s highly committed and specialized sales force will accelerate Lodotra’s market success. Personally, I strongly believe that our two companies will cooperate effectively as we share values and an entrepreneurial philosophy.”

Åke Wikström, Regional Director, Europe, Mundipharma International Limited, said: “Lodotra™ represents a major advance in the treatment of Rheumatoid Arthritis and associated morning stiffness. We are delighted to partner with Nitec Pharma in the commercialisation of this exciting new product in Europe.”

Lodotra™ is a circadian cytokine modulator (CCM), which can be taken at bedtime. Lodotra™’s unique release mechanism releases the glucocorticoid prednisone during the night around 2am enabling suppression of the nocturnal proinflammatory cytokines. This results in an effective relief of the early morning symptoms of RA, in addition to the well established treatment effects of glucocorticoids.

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About Nitec Pharma AG

Nitec Pharma is a Switzerland-based specialty pharmaceutical company focused on the development and commercialisation of innovative medicines and effective treatment solutions for chronic inflammation and pain-related diseases. Nitec's most advanced product is Lodotra™, a circadian cytokine modulator (CCM) for the treatment of rheumatoid arthritis (RA), which has recently received a recommendation for European regulatory approval. Nitec was originally founded in 2004 as a spin-out of Merck KGaA and is headquartered in Reinach in Switzerland. Nitec is financed by Atlas Venture, Global Life Science Ventures, NGN Capital, TVM Capital and a principal investment arm of Deutsche Bank AG, London. For further information about Nitec Pharma please visit www.nitecpharma.com

About Mundipharma

The Mundipharma independent associated companies, including Mundipharma, Purdue and Napp are privately owned companies and joint ventures covering the world's pharmaceutical markets. The companies worldwide are dedicated to bringing to patients with severe and debilitating diseases the benefit of novel treatment options in fields such as severe pain, haemato-oncology and respiratory disease. For more information: www.mundipharma.co.uk